

Bill No. SB 2050

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Proposed Committee Substitute by the Committee on Health Care

1 A bill to be entitled

2 An act relating to the Florida KidCare program;

3 amending s. 409.811, F.S.; defining the terms

4 "Healthy Kids" and "maximum income threshold";

5 amending s. 409.8132, F.S.; providing that

6 eligibility for the Florida KidCare program be

7 at or below the maximum income threshold rather

8 than a specified percentage of the federal

9 poverty level; amending s. 409.8134, F.S.;

10 conforming provisions to changes made by the

11 act; amending s. 409.814, F.S.; requiring that

12 eligibility for the Florida KidCare program be

13 at or below the maximum income threshold rather

14 than a specified percentage of the federal

15 poverty level; providing that certain specified

16 children are eligible for nonfederal premium

17 assistance for health insurance; providing that

18 a child whose family income is above the

19 maximum income threshold may participate in the

20 Florida KidCare program but is subject to

21 certain conditions; amending s. 409.816, F.S.;

22 conforming a cross-reference; amending s.

23 409.818, F.S.; requiring the Agency for Health

24 Care Administration to seek approval from the

25 federal Centers for Medicare and Medicaid

26 Services to use the highest maximum income

27 threshold allowed by federal law or regulation,

28 which is up to 300 percent of the most recently

29 stated federal poverty limit; providing an

30 alternative eligibility standard pending

31 approval of the request; amending s. 409.821,

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1 F.S., relating to a public-records exemption;
 2 specifying that such provision does not
 3 prohibit an enrollee's parent or legal guardian
 4 from obtaining confirmation of coverage and
 5 dates of coverage; amending s. 624.91, F.S.;
 6 conforming provisions to changes made by the
 7 act; revising the powers of the Florida Healthy
 8 Kids Corporation; authorizing participating
 9 health and dental plans to develop marketing
 10 and other promotional materials and to
 11 participate in activities to promote the
 12 Florida Healthy Kids Corporation; providing an
 13 effective date.

14
 15 Be It Enacted by the Legislature of the State of Florida:

16
 17 Section 1. Section 409.811, Florida Statutes, is
 18 amended to read:

19 409.811 Definitions relating to Florida KidCare
 20 Act.--As used in ss. 409.810-409.820, the term:

21 (1) "Actuarially equivalent" means that:

22 (a) The aggregate value of the benefits included in
 23 health benefits coverage is equal to the value of the benefits
 24 in the benchmark benefit plan; and

25 (b) The benefits included in health benefits coverage
 26 are substantially similar to the benefits included in the
 27 benchmark benefit plan, except that preventive health services
 28 must be the same as in the benchmark benefit plan.

29 (2) "Agency" means the Agency for Health Care
 30 Administration.

31 (3) "Applicant" means a parent or guardian of a child

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1 or a child whose disability of nonage has been removed under
2 chapter 743, who applies for determination of eligibility for
3 health benefits coverage under ss. 409.810-409.820.

4 (4) "Benchmark benefit plan" means the form and level
5 of health benefits coverage established in s. 409.815.

6 (5) "Child" means any person under 19 years of age.

7 (6) "Child with special health care needs" means a
8 child whose serious or chronic physical or developmental
9 condition requires extensive preventive and maintenance care
10 beyond that required by typically healthy children. Health
11 care utilization by such a child exceeds the statistically
12 expected usage of the normal child adjusted for chronological
13 age, and such a child often needs complex care requiring
14 multiple providers, rehabilitation services, and specialized
15 equipment in a number of different settings.

16 (7) "Children's Medical Services Network" or "network"
17 means a statewide managed care service system as defined in s.
18 391.021(1).

19 (8) "Community rate" means a method used to develop
20 premiums for a health insurance plan that spreads financial
21 risk across a large population and allows adjustments only for
22 age, gender, family composition, and geographic area.

23 (9) "Department" means the Department of Health.

24 (10) "Enrollee" means a child who has been determined
25 eligible for and is receiving coverage under ss.
26 409.810-409.820.

27 (11) "Enrollment ceiling" means the maximum number of
28 children receiving premium assistance payments, excluding
29 children enrolled in Medicaid, that may be enrolled at any
30 time in the Florida KidCare program. The maximum number shall
31 be established annually in the General Appropriations Act or

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1 by general law.

2 (12) "Family" means the group or the individuals whose
3 income is considered in determining eligibility for the
4 Florida KidCare program. The family includes a child with a
5 custodial parent or caretaker relative who resides in the same
6 house or living unit or, in the case of a child whose
7 disability of nonage has been removed under chapter 743, the
8 child. The family may also include other individuals whose
9 income and resources are considered in whole or in part in
10 determining eligibility of the child.

11 (13) "Family income" means cash received at periodic
12 intervals from any source, such as wages, benefits,
13 contributions, or rental property. Income also may include any
14 money that would have been counted as income under the Aid to
15 Families with Dependent Children (AFDC) state plan in effect
16 prior to August 22, 1996.

17 (14) "Florida KidCare program," "KidCare program," or
18 "program" means the health benefits program administered
19 through ss. 409.810-409.820.

20 (15) "Guarantee issue" means that health benefits
21 coverage must be offered to an individual regardless of the
22 individual's health status, preexisting condition, or claims
23 history.

24 (16) "Health benefits coverage" means protection that
25 provides payment of benefits for covered health care services
26 or that otherwise provides, either directly or through
27 arrangements with other persons, covered health care services
28 on a prepaid per capita basis or on a prepaid aggregate
29 fixed-sum basis.

30 (17) "Health insurance plan" means health benefits
31 coverage under the following:

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1 (a) A health plan offered by any certified health
2 maintenance organization or authorized health insurer, except
3 a plan that is limited to the following: a limited benefit,
4 specified disease, or specified accident; hospital indemnity;
5 accident only; limited benefit convalescent care; Medicare
6 supplement; credit disability; dental; vision; long-term care;
7 disability income; coverage issued as a supplement to another
8 health plan; workers' compensation liability or other
9 insurance; or motor vehicle medical payment only; or

10 (b) An employee welfare benefit plan that includes
11 health benefits established under the Employee Retirement
12 Income Security Act of 1974, as amended.

13 (18) "Healthy Kids" means a component of the Florida
14 KidCare program of medical assistance for children 5 through
15 18 years of age as authorized under s. 624.91 and administered
16 by the Florida Healthy Kids Corporation.

17 (19) "Maximum income threshold" means a percentage of
18 the current federal poverty level used to determine
19 eligibility for certain program components, as approved by
20 federal waiver or an amendment to the state plan.

21 (20)(18) "Medicaid" means the medical assistance
22 program authorized by Title XIX of the Social Security Act,
23 and regulations thereunder, and ss. 409.901-409.920, as
24 administered in this state by the agency.

25 (21)(19) "Medically necessary" means the use of any
26 medical treatment, service, equipment, or supply necessary to
27 palliate the effects of a terminal condition, or to prevent,
28 diagnose, correct, cure, alleviate, or preclude deterioration
29 of a condition that threatens life, causes pain or suffering,
30 or results in illness or infirmity and which is:

31 (a) Consistent with the symptom, diagnosis, and

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1 treatment of the enrollee's condition;

2 (b) Provided in accordance with generally accepted
3 standards of medical practice;

4 (c) Not primarily intended for the convenience of the
5 enrollee, the enrollee's family, or the health care provider;

6 (d) The most appropriate level of supply or service
7 for the diagnosis and treatment of the enrollee's condition;
8 and

9 (e) Approved by the appropriate medical body or health
10 care specialty involved as effective, appropriate, and
11 essential for the care and treatment of the enrollee's
12 condition.

13 ~~(22)(20)~~ "Medikids" means a component of the Florida
14 KidCare program of medical assistance authorized by ~~Title XXXI~~
15 ~~of the Social Security Act, and regulations thereunder, and s.~~
16 409.8132, as administered in the state by the agency.

17 ~~(23)(21)~~ "Preexisting condition exclusion" means, with
18 respect to coverage, a limitation or exclusion of benefits
19 relating to a condition based on the fact that the condition
20 was present before the date of enrollment for such coverage,
21 whether or not any medical advice, diagnosis, care, or
22 treatment was recommended or received before such date.

23 ~~(24)(22)~~ "Premium" means the entire cost of a health
24 insurance plan, including the administration fee or the risk
25 assumption charge.

26 ~~(25)(23)~~ "Premium assistance payment" means the
27 monthly consideration paid by the agency per enrollee in the
28 Florida KidCare program towards health insurance premiums.

29 ~~(26)(24)~~ "Qualified alien" means an alien as defined
30 in s. 431 of the Personal Responsibility and Work Opportunity
31 Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.

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1 ~~(27)~~~~(25)~~ "Resident" means a United States citizen, or
2 qualified alien, who is domiciled in this state.

3 ~~(28)~~~~(26)~~ "Rural county" means a county having a
4 population density of less than 100 persons per square mile,
5 or a county defined by the most recent United States Census as
6 rural, in which there is no prepaid health plan participating
7 in the Medicaid program as of July 1, 1998.

8 ~~(29)~~~~(27)~~ "Substantially similar" means that, with
9 respect to additional services as defined in s. 2103(c)(2) of
10 Title XXI of the Social Security Act, these services must have
11 an actuarial value equal to at least 75 percent of the
12 actuarial value of the coverage for that service in the
13 benchmark benefit plan and, with respect to the basic services
14 as defined in s. 2103(c)(1) of Title XXI of the Social
15 Security Act, these services must be the same as the services
16 in the benchmark benefit plan.

17 Section 2. Subsections (6) and (7) of section
18 409.8132, Florida Statutes, are amended to read:

19 409.8132 Medikids program component.--

20 (6) ELIGIBILITY.--

21 (a) A child who has attained the age of 1 year but who
22 is under the age of 5 years is eligible to enroll in the
23 Medikids program component of the Florida KidCare program, if
24 the child is a member of a family that has a family income
25 which exceeds the Medicaid applicable income level as
26 specified in s. 409.903, but which is equal to or below the
27 maximum income threshold ~~200 percent of the current federal~~
28 ~~poverty level~~. In determining the eligibility of ~~such~~ a
29 child, an assets test is not required. A child who is eligible
30 for Medikids may elect to enroll in Florida Healthy Kids
31 coverage or employer-sponsored group coverage. However, a

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1 child who is eligible for Medikids may participate in the
2 Florida Healthy Kids program only if the child has a sibling
3 participating in the Florida Healthy Kids program and the
4 child's county of residence permits such enrollment.

5 (b) The provisions of s. 409.814(3), (4), ~~and~~ (5), and
6 (6) are ~~shall be~~ applicable to the Medikids program.

7 (7) ENROLLMENT.--Enrollment in the Medikids program
8 component may occur at any time throughout the year. A child
9 may not receive services under the Medikids program until the
10 child is enrolled in a managed care plan or MediPass. Once
11 determined eligible, an applicant may receive choice
12 counseling and select a managed care plan or MediPass. The
13 agency may initiate mandatory assignment for a Medikids
14 applicant who has not chosen a managed care plan or MediPass
15 provider after the applicant's voluntary choice period ends.
16 An applicant may select MediPass under the Medikids program
17 component only in counties that have fewer than two managed
18 care plans available to serve Medicaid recipients and only if
19 the federal Centers for Medicare and Medicaid Services ~~Health~~
20 ~~Care Financing Administration~~ determines that MediPass
21 constitutes "health insurance coverage" as defined in Title
22 XXI of the Social Security Act.

23 Section 3. Subsection (2) of section 409.8134, Florida
24 Statutes, is amended to read:

25 409.8134 Program enrollment and expenditure
26 ceilings.--

27 (2) The Florida KidCare program may conduct enrollment
28 at any time throughout the year for the purpose of enrolling
29 children eligible for all program components listed in s.
30 409.813 except Medicaid. The four Florida KidCare
31 administrators shall work together to ensure that the

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1 year-round enrollment period is announced statewide. Eligible
2 children shall be enrolled on a first-come, first-served basis
3 using the date the enrollment application is received.
4 Enrollment shall immediately cease when the enrollment ceiling
5 is reached. Year-round enrollment shall only be held if the
6 Social Services Estimating Conference determines that
7 sufficient ~~federal and state~~ funds will be available to
8 finance the increased enrollment ~~through federal fiscal year~~
9 ~~2007~~. Any individual who is not enrolled must reapply by
10 submitting a new application. The application for the Florida
11 KidCare program is ~~shall be~~ valid for a period of 120 days
12 after the date it was received. At the end of the 120-day
13 period, if the applicant has not been enrolled in the program,
14 the application is ~~shall be~~ invalid and the applicant shall be
15 notified of the action. The applicant may resubmit the
16 application after notification of the action taken by the
17 program. Except for the Medicaid program, whenever the Social
18 Services Estimating Conference determines that there are
19 presently, or will be by the end of the current fiscal year,
20 insufficient funds to finance the current or projected
21 enrollment in the Florida KidCare program, all additional
22 enrollment must cease and additional enrollment may not resume
23 until sufficient funds are available to finance the ~~such~~
24 enrollment.

25 Section 4. Section 409.814, Florida Statutes, is
26 amended to read:

27 409.814 Eligibility.--A child who has not reached 19
28 years of age whose family income is equal to or below the
29 maximum income threshold ~~200 percent of the federal poverty~~
30 ~~level~~ is eligible for the Florida KidCare program as provided
31 in this section. For enrollment in the Children's Medical

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1 Services Network, a complete application includes the medical
2 or behavioral health screening. If, subsequently, an
3 individual is determined to be ineligible for coverage, he or
4 she must immediately be disenrolled from the respective
5 Florida KidCare program component.

6 (1) A child who is eligible for Medicaid coverage
7 under s. 409.903 or s. 409.904 must be enrolled in Medicaid
8 and is not eligible to receive health benefits under any other
9 health benefits coverage authorized under the Florida KidCare
10 program.

11 (2) A child who is not eligible for Medicaid, but who
12 is eligible for the Florida KidCare program, may obtain health
13 benefits coverage under any of the other components listed in
14 s. 409.813 if such coverage is approved and available in the
15 county in which the child resides. However, a child who is
16 eligible for Medikids may participate in the Florida Healthy
17 Kids program only if the child has a sibling participating in
18 the Florida Healthy Kids program and the child's county of
19 residence permits such enrollment.

20 (3) A child who is eligible for the Florida KidCare
21 program who is a child with special health care needs, as
22 determined through a medical or behavioral screening
23 instrument, is eligible for health benefits coverage from and
24 shall be referred to the Children's Medical Services Network.

25 (4) The following children are not eligible to receive
26 federal premium assistance for health benefits coverage under
27 the Florida KidCare program, except under Medicaid if the
28 child would have been eligible for Medicaid under s. 409.903
29 or s. 409.904 as of June 1, 1997:

30 (a) A child who is eligible for coverage under a state
31 health benefit plan on the basis of a family member's

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1 employment with a public agency in the state.

2 (b) A child who is currently eligible for or covered
3 under a family member's group health benefit plan or under
4 other employer health insurance coverage, excluding coverage
5 provided under the Florida Healthy Kids Corporation as
6 established under s. 624.91, provided that the cost of the
7 child's participation is not greater than 5 percent of the
8 family's income. This provision shall be applied during
9 redetermination for children who were enrolled prior to July
10 1, 2004. These enrollees shall have 6 months of eligibility
11 following redetermination to allow for a transition to the
12 other health benefit plan.

13 (c) A child who is seeking premium assistance for the
14 Florida KidCare program through employer-sponsored group
15 coverage, if the child has been covered by the same employer's
16 group coverage during the 6 months prior to the family's
17 submitting an application for determination of eligibility
18 under the program.

19 (d) A child who is an alien, but who does not meet the
20 definition of qualified alien, in the United States.

21 (e) A child who is an inmate of a public institution
22 or a patient in an institution for mental diseases.

23 (f) A child who has had his or her coverage in an
24 employer-sponsored health benefit plan voluntarily canceled in
25 the last 6 months, except those children who were on the
26 waiting list prior to March 12, 2004.

27 (g) A child who is otherwise eligible for KidCare and
28 who has a preexisting condition that prevents coverage under
29 another insurance plan as described in paragraph (b) which
30 would have disqualified the child for KidCare if the child
31 were able to enroll in the plan shall be eligible for KidCare

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coverage when enrollment is possible.

(5) Subject to a specific appropriation for this purpose, the following children are eligible to receive nonfederal premium assistance for health benefits coverage under the Florida KidCare program, except under Medicaid, if the child would have been eligible for Medicaid under s. 409.903 or s. 409.904 as of June 1, 1997:

(a) A child who is eligible for coverage under a state health benefit plan on the basis of a family member's employment with a public agency in the state.

(b) A child who is an alien, but who does not meet the definition of qualified alien, in the United States.

(6)(5) A child whose family income is above the maximum income threshold ~~200 percent of the federal poverty level~~ or a child who is excluded under the provisions of subsection (4) may participate in the Florida KidCare program, excluding the Medicaid program, but is subject to the following provisions:

(a) The family is not eligible for premium assistance payments and must pay the full cost of the premium, including any administrative costs.

(b) The agency is authorized to place limits on enrollment in Medikids by these children in order to avoid adverse selection. The number of children participating in Medikids whose family income exceeds the maximum income threshold ~~200 percent of the federal poverty level~~ must not exceed 10 percent of total enrollees in the Medikids program.

(c) The board of directors of the Florida Healthy Kids Corporation is authorized to place limits on enrollment of these children in order to avoid adverse selection. In addition, the board is authorized to offer a reduced benefit

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1 package to these children in order to limit program costs for
2 such families. The number of children participating in the
3 Florida Healthy Kids program whose family income exceeds the
4 maximum income threshold ~~200 percent of the federal poverty~~
5 ~~level~~ must not exceed 10 percent of total enrollees in the
6 Florida Healthy Kids program.

7 (d) Children described in this subsection are not
8 counted in the annual enrollment ceiling for the Florida
9 KidCare program.

10 ~~(7)(6)~~ Once a child is enrolled in the Florida KidCare
11 program, the child is eligible for coverage under the program
12 for 12 months without a redetermination or reverification of
13 eligibility, if the family continues to pay the applicable
14 premium. Eligibility for program components funded through
15 Title XXI of the Social Security Act shall terminate when a
16 child attains the age of 19. Effective January 1, 1999, a
17 child who has not attained the age of 5 and who has been
18 determined eligible for the Medicaid program is eligible for
19 coverage for 12 months without a redetermination or
20 reverification of eligibility.

21 ~~(8)(7)~~ When determining or reviewing a child's
22 eligibility under the Florida KidCare program, the applicant
23 shall be provided with reasonable notice of changes in
24 eligibility which may affect enrollment in one or more of the
25 program components. When a transition from one program
26 component to another is authorized, there shall be cooperation
27 between the program components and the affected family which
28 promotes continuity of health care coverage. Any authorized
29 transfers must be managed within the program's overall
30 appropriated or authorized levels of funding. Each component
31 of the program shall establish a reserve to ensure that

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1 transfers between components will be accomplished within
2 current year appropriations. These reserves shall be reviewed
3 by each convening of the Social Services Estimating Conference
4 to determine the adequacy of such reserves to meet actual
5 experience.

6 ~~(9)(8)~~ In determining the eligibility of a child, an
7 assets test is not required. Each applicant shall provide
8 written documentation during the application process and the
9 redetermination process, including, but not limited to, the
10 following:

11 (a) Proof of family income, which must include a copy
12 of the applicant's most recent federal income tax return. In
13 the absence of a federal income tax return, an applicant may
14 submit wages and earnings statements (pay stubs), W-2 forms,
15 or other appropriate documents.

16 (b) A statement from all family members that:

17 1. Their employer does not sponsor a health benefit
18 plan for employees; or

19 2. The potential enrollee is not covered by the
20 employer-sponsored health benefit plan because the potential
21 enrollee is not eligible for coverage, or, if the potential
22 enrollee is eligible but not covered, a statement of the cost
23 to enroll the potential enrollee in the employer-sponsored
24 health benefit plan.

25 ~~(10)(9)~~ Subject to paragraph (4)(b) and s. 624.91(3),
26 the Florida KidCare program shall withhold benefits from an
27 enrollee if the program obtains evidence that the enrollee is
28 no longer eligible, submitted incorrect or fraudulent
29 information in order to establish eligibility, or failed to
30 provide verification of eligibility. The applicant or enrollee
31 shall be notified that because of such evidence program

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benefits will be withheld unless the applicant or enrollee contacts a designated representative of the program by a specified date, which must be within 10 days after the date of notice, to discuss and resolve the matter. The program shall make every effort to resolve the matter within a timeframe that will not cause benefits to be withheld from an eligible enrollee.

(11)~~(10)~~ The following individuals may be subject to prosecution in accordance with s. 414.39:

(a) An applicant obtaining or attempting to obtain benefits for a potential enrollee under the Florida KidCare program when the applicant knows or should have known the potential enrollee does not qualify for the Florida KidCare program.

(b) An individual who assists an applicant in obtaining or attempting to obtain benefits for a potential enrollee under the Florida KidCare program when the individual knows or should have known the potential enrollee does not qualify for the Florida KidCare program.

Section 5. Subsection (3) of section 409.816, Florida Statutes, is amended to read:

409.816 Limitations on premiums and cost-sharing.--The following limitations on premiums and cost-sharing are established for the program.

(3) Enrollees in families with a family income above 150 percent of the federal poverty level, who are not receiving coverage under the Medicaid program or who are not eligible under s. 409.814(6) ~~s. 409.814(5)~~, may be required to pay enrollment fees, premiums, copayments, deductibles, coinsurance, or similar charges on a sliding scale related to income, except that the total annual aggregate cost-sharing

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with respect to all children in a family may not exceed 5 percent of the family's income. However, copayments, deductibles, coinsurance, or similar charges may not be imposed for preventive services, including well-baby and well-child care, age-appropriate immunizations, and routine hearing and vision screenings.

Section 6. Subsection (3) of section 409.818, Florida Statutes, is amended to read:

409.818 Administration.--In order to implement ss. 409.810-409.820, the following agencies shall have the following duties:

(3) The Agency for Health Care Administration, under the authority granted in s. 409.914(1), shall:

(a) Calculate the premium assistance payment necessary to comply with the premium and cost-sharing limitations specified in s. 409.816. The premium assistance payment for each enrollee in a health insurance plan participating in the Florida Healthy Kids Corporation shall equal the premium approved by the Florida Healthy Kids Corporation and the Office of Insurance Regulation of the Financial Services Commission pursuant to ss. 627.410 and 641.31, less any enrollee's share of the premium established within the limitations specified in s. 409.816. The premium assistance payment for each enrollee in an employer-sponsored health insurance plan approved under ss. 409.810-409.820 shall equal the premium for the plan adjusted for any benchmark benefit plan actuarial equivalent benefit rider approved by the Office of Insurance Regulation pursuant to ss. 627.410 and 641.31, less any enrollee's share of the premium established within the limitations specified in s. 409.816. In calculating the premium assistance payment levels for children with family

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1 coverage, the agency shall set the premium assistance payment
2 levels for each child proportionately to the total cost of
3 family coverage.

4 (b) Annually calculate the program enrollment ceiling
5 based on estimated per child premium assistance payments and
6 the estimated appropriation available for the program.

7 (c) Make premium assistance payments to health
8 insurance plans on a periodic basis. The agency may use its
9 Medicaid fiscal agent or a contracted third-party
10 administrator in making these payments. The agency may
11 require health insurance plans that participate in the
12 Medikids program or employer-sponsored group health insurance
13 to collect premium payments from an enrollee's family.
14 Participating health insurance plans shall report premium
15 payments collected on behalf of enrollees in the program to
16 the agency in accordance with a schedule established by the
17 agency.

18 (d) Monitor compliance with quality assurance and
19 access standards developed under s. 409.820.

20 (e) Establish a mechanism for investigating and
21 resolving complaints and grievances from program applicants,
22 enrollees, and health benefits coverage providers, and
23 maintain a record of complaints and confirmed problems. In the
24 case of a child who is enrolled in a health maintenance
25 organization, the agency must use the provisions of s. 641.511
26 to address grievance reporting and resolution requirements.

27 (f) Approve health benefits coverage for participation
28 in the program, following certification by the Office of
29 Insurance Regulation under subsection (4).

30 (g) Adopt rules necessary for calculating premium
31 assistance payment levels, calculating the program enrollment

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1 ceiling, making premium assistance payments, monitoring access
2 and quality assurance standards, investigating and resolving
3 complaints and grievances, administering the Medikids program,
4 and approving health benefits coverage.

5
6 The agency is designated the lead state agency for Title XXI
7 of the Social Security Act for purposes of receipt of federal
8 funds, for reporting purposes, and for ensuring compliance
9 with federal and state regulations and rules. The agency shall
10 seek approval from the federal Centers for Medicare and
11 Medicaid Services for the highest maximum income threshold of
12 up to 300 percent of the most recently stated federal poverty
13 limit. Until the federal agency approves the request, the
14 maximum income threshold used for the Florida KidCare program
15 shall be 200 percent of the most recently stated federal
16 poverty limit or the highest income threshold allowed under
17 current federal law. Any such expansion under this subsection
18 is subject to a specified appropriation for such purpose.

19 Section 7. Section 409.821, Florida Statutes, is
20 amended to read:

21 409.821 Florida KidCare program public records
22 exemption.--Notwithstanding any other law to the contrary, any
23 information identifying a Florida KidCare program applicant or
24 enrollee, as defined in s. 409.811, held by the Agency for
25 Health Care Administration, the Department of Children and
26 Family Services, the Department of Health, or the Florida
27 Healthy Kids Corporation is confidential and exempt from s.
28 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
29 information may be disclosed to another governmental entity
30 only if disclosure is necessary for the entity to perform its
31 duties and responsibilities under the Florida KidCare program

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1 and shall be disclosed to the Department of Revenue for
2 purposes of administering the state Title IV-D program. The
3 receiving governmental entity must maintain the confidential
4 and exempt status of such information. Furthermore, such
5 information may not be released to any person without the
6 written consent of the program applicant. This exemption
7 applies to any information identifying a Florida KidCare
8 program applicant or enrollee held by the Agency for Health
9 Care Administration, the Department of Children and Family
10 Services, the Department of Health, or the Florida Healthy
11 Kids Corporation before, on, or after the effective date of
12 this exemption. A violation of this section is a misdemeanor
13 of the second degree, punishable as provided in s. 775.082 or
14 s. 775.083. This section does not prohibit an enrollee's
15 parent or legal guardian from obtaining confirmation of
16 coverage and dates of coverage.

17 Section 8. Subsections (3) and (5) of section 624.91,
18 Florida Statutes, are amended to read:

19 624.91 The Florida Healthy Kids Corporation Act.--

20 (3) ELIGIBILITY FOR NONFEDERAL ~~STATE-FUNDED~~
21 ASSISTANCE.--Only residents of this state between 5 and 18
22 years of age who meet the qualifications for the Florida
23 KidCare program under s. 409.814 are eligible for nonfederal
24 assistance in the Florida Healthy Kids program. ~~the following~~
25 ~~individuals are eligible for state-funded assistance in paying~~
26 ~~Florida Healthy Kids premiums:~~

27 ~~(a) Residents of this state who are eligible for the~~
28 ~~Florida KidCare program pursuant to s. 409.814.~~

29 ~~(b) Notwithstanding s. 409.814, legal aliens who are~~
30 ~~enrolled in the Florida Healthy Kids program as of January 31,~~
31 ~~2004, who do not qualify for Title XXI federal funds because~~

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~~they are not qualified aliens as defined in s. 409.811.~~

~~(c) Notwithstanding s. 409.814, individuals who have attained the age of 19 as of March 31, 2004, who were receiving Florida Healthy Kids benefits prior to the enactment of the Florida KidCare program. This paragraph shall be repealed March 31, 2005.~~

~~(d) Notwithstanding s. 409.814, state employee dependents who were enrolled in the Florida Healthy Kids program as of January 31, 2004. Such individuals shall remain eligible until January 1, 2005.~~

(5) CORPORATION AUTHORIZATION, DUTIES, PROMOTION, POWERS.--

(a) There is created the Florida Healthy Kids Corporation, a not-for-profit corporation.

(b) The Florida Healthy Kids Corporation shall:

1. Arrange for the collection of any family, local contributions, or employer payment or premium, in an amount to be determined by the board of directors, to provide for payment of premiums for comprehensive insurance coverage and for the actual or estimated administrative expenses.

~~2. Arrange for the collection of any voluntary contributions to provide for payment of premiums for children who are not eligible for medical assistance under Title XXI of the Social Security Act. Each fiscal year, the corporation shall establish a local match policy for the enrollment of non-Title-XXI-eligible children in the Healthy Kids program. By May 1 of each year, the corporation shall provide written notification of the amount to be remitted to the corporation for the following fiscal year under that policy. Local match sources may include, but are not limited to, funds provided by municipalities, counties, school boards, hospitals, health~~

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1 ~~care providers, charitable organizations, special taxing~~
 2 ~~districts, and private organizations. The minimum local match~~
 3 ~~cash contributions required each fiscal year and local match~~
 4 ~~credits shall be determined by the General Appropriations Act.~~
 5 ~~The corporation shall calculate a county's local match rate~~
 6 ~~based upon that county's percentage of the state's total~~
 7 ~~non-Title-XXI expenditures as reported in the corporation's~~
 8 ~~most recently audited financial statement. In awarding the~~
 9 ~~local match credits, the corporation may consider factors~~
 10 ~~including, but not limited to, population density, per capita~~
 11 ~~income, and existing child health-related expenditures and~~
 12 ~~services.~~

13 ~~2.3.~~ Subject to the provisions of s. 409.8134, accept
 14 voluntary supplemental local match contributions that comply
 15 with the requirements of Title XXI of the Social Security Act
 16 for the purpose of providing additional coverage in
 17 contributing counties under Title XXI.

18 ~~3.4.~~ Establish the administrative and accounting
 19 procedures for the operation of the corporation.

20 ~~4.5.~~ Establish, with consultation from appropriate
 21 professional organizations, standards for preventive health
 22 services and providers and comprehensive insurance benefits
 23 appropriate to children, provided that the ~~such~~ standards for
 24 rural areas do ~~shall~~ not limit primary care providers to
 25 board-certified pediatricians.

26 ~~5.6.~~ Determine eligibility for children seeking to
 27 participate in the ~~Title XXI-funded components of the~~ Florida
 28 KidCare program consistent with the requirements specified in
 29 s. 409.814, ~~as well as the non-Title XXI-eligible children as~~
 30 ~~provided in subsection (3).~~

31 ~~6.7.~~ Establish procedures under which ~~providers of~~

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1 ~~local match to~~, applicants to and participants in the program
2 may have grievances reviewed by an impartial body and reported
3 to the board of directors of the corporation.

4 ~~7.8.~~ Establish participation criteria and, if
5 appropriate, contract with an authorized insurer, health
6 maintenance organization, or third-party administrator to
7 provide administrative services to the corporation.

8 ~~8.9.~~ Establish enrollment criteria that ~~which shall~~
9 include penalties or waiting periods of not fewer than 60 days
10 for reinstatement of coverage upon voluntary cancellation for
11 nonpayment of family premiums.

12 ~~9.10.~~ Contract with authorized insurers or any
13 provider of health care services, meeting standards
14 established by the corporation, for the provision of
15 comprehensive insurance coverage to participants. Such
16 standards shall include criteria under which the corporation
17 may contract with more than one provider of health care
18 services in program sites. Health plans shall be selected
19 through a competitive bid process. The Florida Healthy Kids
20 Corporation shall purchase goods and services in the most
21 cost-effective manner consistent with the delivery of quality
22 medical care. The maximum administrative cost for a Florida
23 Healthy Kids Corporation contract shall be 15 percent. For
24 health care contracts, the minimum medical loss ratio for a
25 Florida Healthy Kids Corporation contract shall be 85 percent.
26 For dental contracts, the remaining compensation to be paid to
27 the authorized insurer or provider under a Florida Healthy
28 Kids Corporation contract shall be no less than an amount
29 which is 85 percent of premium; to the extent any contract
30 provision does not provide for this minimum compensation, this
31 section shall prevail. The health plan selection criteria and

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scoring system, and the scoring results, shall be available upon request for inspection after the bids have been awarded.

~~11. Establish disenrollment criteria in the event local matching funds are insufficient to cover enrollments.~~

~~10.12.~~ Develop and implement a plan to publicize the Florida Healthy Kids Corporation, the eligibility requirements of the program, and the procedures for enrollment in the program and to maintain public awareness of the corporation and the program. Participating health and dental plans may develop marketing and other promotional materials and participate in activities, such as health fairs and public events, as approved by the corporation. The health and dental plans may also contact their enrollees and former enrollees to encourage continued participation in the plan.

~~11.13.~~ Secure staff necessary to properly administer the corporation. Staff costs shall be funded from state and local matching funds and such other private or public funds as become available. The board of directors shall determine the number of staff members necessary to administer the corporation.

~~12.14.~~ Provide a report annually to the Governor, Chief Financial Officer, Commissioner of Education, Senate President, Speaker of the House of Representatives, and Minority Leaders of the Senate and the House of Representatives.

~~13.15.~~ Establish benefit packages which conform to the provisions of the Florida KidCare program, as created in ss. 409.810-409.820.

(c) Coverage under the corporation's program is secondary to any other available private coverage held by, or applicable to, the participant child or family member.

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1 Insurers under contract with the corporation are the payors of
2 last resort and must coordinate benefits with any other
3 third-party payor that may be liable for the participant's
4 medical care.

5 (d) The Florida Healthy Kids Corporation shall be a
6 private corporation not for profit, organized under ~~pursuant~~
7 ~~to~~ chapter 617, and shall have all powers necessary to carry
8 out the purposes of this act, including, but not limited to,
9 the power to receive and accept grants, loans, or advances of
10 funds from any public or private agency and to receive and
11 accept from any source contributions of money, property,
12 labor, or any other thing of value, to be held, used, and
13 applied for the purposes of this section ~~act~~.

14 Section 9. This act shall take effect July 1, 2006.

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